GRUMMAN DAILY EDITION
plane news
October 26, 1981

LTV sets new deadline

LTV Corp. has set a new deadline of Nov. 3 for its purchase of Grumman stock. The former deadline, October 23, had to be extended because of the court order that prevented the Dallas firm from soliciting or purchasing any more Grumman shares.

That court order was issued by Judge Jacob Mishler on October 14; LTV will appeal the ruling, and the hearing is set for this Wednesday, October 28.

On Friday, October 30, Mishler will hear two suits against the Grumman pension plan trustees: the suit brought by the Department of Labor, and another brought by former Grumman employee Anthony Scibelli.

Both suits contain essentially the same allegations. They charge that the pension plan trustees breached their fiduciary responsibilities to plan members, violating the federal Employee Retirement Income Security Act (ERISA).

The pension plan trustees have maintained that their actions were taken solely in the interests of the participants and beneficiaries of the plan, and that those actions were consistent with their obligations under ERISA.

Maryland delegation backs Grumman

The following letter was sent to Hon. James C. Miller III, the Chairman of the Federal Trade Commission. It was signed by eight of the ten members of the Maryland congressional delegation: Senators Charles Mathias and Paul Sarbanes, and Representatives Clarence Long, Roy Dyson, Parren Mitchell, Barbara Mikulski, and Steny Hoyer.

We are greatly concerned over the proposal of a takeover of the Grumman Corporation by the LTV Corporation.

Grumman is now the 4th-ranking defense contractor in the nation, in contract value terms. It is competing with LTV Corporation's Vought subsidiary on the Navy's proposed new carrier trainer aircraft. Along with Vought and McDonnell-Douglas, Grumman is one of only three companies in the country with a proven track record in production of carrier-based fixed wing aircraft.

If the LTV Corporation is permitted to proceed with its proposed acquisition and merger, competition for defense contracts will be reduced, with inevitably higher costs and possibly lower quality of defense procurement.

Such a reduction of competition—in a field which already has too few firms—is bound to be adverse to the best interests of the taxpayers whom we represent. We urge your closest scrutiny of the anti-trust aspects of this proposed merger.

"Grumman belongs here!"

Grummanites are not alone in their fight. Long Island-based suppliers, for example, have been buying Grumman shares to keep them in friendly hands. But they support Grumman in other ways as well.

Peter D'Agrosa, president of Gull Airborne Instruments, Inc., asked "...the Gull family to join together to assist the Grumman family..." by writing letters to government officials.

"As you know, Grumman has been a valued customer of Gull since our earliest days," he wrote to the 600 people employed at the Smithtown, Long Island firm, "and, to a significant extent, our well-being as a company is greatly affected by Grumman's general health. You should apppreciate that this applies not only to firms which are direct suppliers to Grumman such as ourselves but to all types of businesses in our region...Countless jobs could be affected by the disruption of Grumman's operation."

Then D'Agrosa added one more reason to write:

"Grumman belongs here! It is as uniquely Long

October 23, 1981 — Grumman shares closed at 32 1/8 today, down 1/2; approximately 177,300 Grumman shares were traded.

Island as are Jones Beach and the Montauk Lighthouse. It is a company that has grown through five decades by the labors of our friends, neighbors, and, in many cases, our relatives. There are few of us here who do not know someone who has, does, or wishes that he could work at Grumman.

"I ask, therefore, that all of you—the Gull family—join together to assist the Grumman family by encouraging our congressmen and senators to use the powers of their offices and to not only continue to support Grumman but to solicit additional support from their colleagues in the Congress. You know that if enough Long Islanders express such a desire, it is their duty as our representatives in Washington to heed our wishes."

Friends in deed. *Peter D'Agrosa, president of Gull Airborne Instruments of Smithtown, Long Island, asked his team of 600 to assist Grumman by writing their representatives.*

Trying to tip the balance

The Bethpage Federal Credit Union reports that since they started their stock premium program on October 14, they've given out shares to 119 members who've made deposits of $1,000 or more.

The program ends on October 30.

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Published to keep you informed about the unsolicited takeover attempt.

Questions or comments? Contact us.

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